

raituree for aid in meeting their adverse balances at the Clearing House.

These conditions afforded an opportunity for the more conservative bankers who controlled the committee to accomplish what they had long desired—the elimination of a group of speculators from the banking world. The latter were notified that the resignations of officers and directors must be placed in the hands of the Clearing House Committee, and new officers appointed, if aid was to be extended. There was nothing to do but to comply with this demand. New officers were appointed, and the Institutions were enabled to continue in business. On Monday night, October 21st, however, application for aid was made to the Clearing-House Committee by the Knickerbocker Trust Company, the third largest trust company in New York, and having deposits of nearly \$60,000,000. It developed that its assets were to a considerable extent locked up in enterprises which could not be immediately liquidated, and that the president had been in close business relations with the controlling spirits in the National Bank of North America. The National Bank of Commerce, which attended to the clearings of the Knickerbocker Trust Company, finding a heavy unsettled balance against the company, refused to clear for it, and, after a run in which about \$8,000,000 were paid out, the company, on October 22d, was compelled to suspend.

The next morning began a run upon the Trust Company of America, also having deposits of nearly \$60,000,000, which proved to be the most serious run ever made upon a banking institution without destroying it. Within about two weeks the sum of \$34,000,000 was paid in cash to depositors and in settlement of checks presented by other banking institutions. A run also began upon the Lincoln Trust Company, which reduced its deposits within a short time from about \$20,000,000 to about \$6,000,000. Inevitably, such events produced their reaction in the stock market. On Thursday afternoon, October 24th, business came almost to a standstill for lack of "call funds." President Thomas, of the Stock Exchange, hurried over to the office of Mr. J-